

117TH CONGRESS  
1ST SESSION

# H. R. 1565

---

IN THE SENATE OF THE UNITED STATES

APRIL 22, 2021

Received; read twice and referred to the Committee on Banking, Housing, and Urban Affairs

---

## AN ACT

To create an interdivisional taskforce at the Securities and Exchange Commission for senior investors.

1       *Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “National Senior Inves-  
3 tor Initiative Act of 2021” or the “Senior Security Act  
4 of 2021”.

5 **SEC. 2. SENIOR INVESTOR TASKFORCE.**

6 Section 4 of the Securities Exchange Act of 1934 (15  
7 U.S.C. 78d) is amended by adding at the end the fol-  
8 lowing:

9 “(k) SENIOR INVESTOR TASKFORCE.—

10 “(1) ESTABLISHMENT.—There is established  
11 within the Commission the Senior Investor  
12 Taskforce (in this subsection referred to as the  
13 ‘Taskforce’).

14 “(2) DIRECTOR OF THE TASKFORCE.—The  
15 head of the Taskforce shall be the Director, who  
16 shall—

17 “(A) report directly to the Chairman; and  
18 “(B) be appointed by the Chairman, in  
19 consultation with the Commission, from among  
20 individuals—

21 “(i) currently employed by the Com-  
22 mission or from outside of the Commis-  
23 sion; and

24 “(ii) having experience in advocating  
25 for the interests of senior investors.

1                 “(3) STAFFING.—The Chairman shall ensure  
2                 that—

3                         “(A) the Taskforce is staffed sufficiently to  
4                 carry out fully the requirements of this sub-  
5                 section; and

6                         “(B) such staff shall include individuals  
7                 from the Division of Enforcement, Office of  
8                 Compliance Inspections and Examinations, and  
9                 Office of Investor Education and Advocacy.

10                 “(4) NO COMPENSATION FOR MEMBERS OF  
11                 TASKFORCE.—All members of the Taskforce ap-  
12                 pointed under paragraph (2) or (3) shall serve with-  
13                 out compensation in addition to that received for  
14                 their services as officers or employees of the United  
15                 States.

16                 “(5) MINIMIZING DUPLICATION OF EFFORTS.—  
17                 In organizing and staffing the Taskforce, the Chair-  
18                 man shall take such actions as may be necessary to  
19                 minimize the duplication of efforts within the divi-  
20                 sions and offices described under paragraph (3)(B)  
21                 and any other divisions, offices, or taskforces of the  
22                 Commission.

23                 “(6) FUNCTIONS OF THE TASKFORCE.—The  
24                 Taskforce shall—

1                 “(A) identify challenges that senior investors encounter, including problems associated  
2                 with financial exploitation and cognitive decline;

4                 “(B) identify areas in which senior investors would benefit from changes in the regulations of the Commission or the rules of self-regulatory organizations;

8                 “(C) coordinate, as appropriate, with other offices within the Commission, other taskforces that may be established within the Commission, self-regulatory organizations, and the Elder Justice Coordinating Council; and

13                 “(D) consult, as appropriate, with State securities and law enforcement authorities, State insurance regulators, and other Federal agencies.

17                 “(7) REPORT.—The Taskforce, in coordination, as appropriate, with the Office of the Investor Advocate and self-regulatory organizations, and in consultation, as appropriate, with State securities and law enforcement authorities, State insurance regulators, and Federal agencies, shall issue a report every 2 years to the Committee on Banking, Housing, and Urban Affairs and the Special Committee on Aging of the Senate and the Committee on Fi-

1 nancial Services of the House of Representatives, the  
2 first of which shall not be issued until after the re-  
3 port described in section 3 of the National Senior  
4 Investor Initiative Act of 2021 has been issued and  
5 considered by the Taskforce, containing—

6 “(A) appropriate statistical information  
7 and full and substantive analysis;

8 “(B) a summary of recent trends and inno-  
9 vations that have impacted the investment land-  
10 scape for senior investors;

11 “(C) a summary of regulatory initiatives  
12 that have concentrated on senior investors and  
13 industry practices related to senior investors;

14 “(D) key observations, best practices, and  
15 areas needing improvement, involving senior in-  
16 vestors identified during examinations, enforce-  
17 ment actions, and investor education outreach;

18 “(E) a summary of the most serious issues  
19 encountered by senior investors, including  
20 issues involving financial products and services;

21 “(F) an analysis with regard to existing  
22 policies and procedures of brokers, dealers, in-  
23 vestment advisers, and other market partici-  
24 pants related to senior investors and senior in-  
25 vestor-related topics and whether these policies

1           and procedures need to be further developed or  
2           refined;

3           “(G) recommendations for such changes to  
4           the regulations, guidance, and orders of the  
5           Commission and self-regulatory organizations  
6           and such legislative actions as may be appro-  
7           priate to resolve problems encountered by senior  
8           investors; and

9           “(H) any other information, as determined  
10          appropriate by the Director of the Taskforce.

11          “(8) REQUEST FOR REPORTS.—The Taskforce  
12          shall make any report issued under paragraph (7)  
13          available to a Member of Congress who requests  
14          such a report.

15          “(9) SUNSET.—The Taskforce shall terminate  
16          after the end of the 10-year period beginning on the  
17          date of the enactment of this subsection.

18          “(10) SENIOR INVESTOR DEFINED.—For pur-  
19          poses of this subsection, the term ‘senior investor’  
20          means an investor over the age of 65.

21          “(11) USE OF EXISTING FUNDS.—The Commis-  
22          sion shall use existing funds to carry out this sub-  
23          section.”.

1   **SEC. 3. GAO STUDY.**

2       (a) IN GENERAL.—Not later than 2 years after the  
3 date of enactment of this Act, the Comptroller General  
4 of the United States shall submit to Congress and the  
5 Senior Investor Taskforce the results of a study of finan-  
6 cial exploitation of senior citizens.

7       (b) CONTENTS.—The study required under sub-  
8 section (a) shall include information with respect to—

9                   (1) economic costs of the financial exploitation  
10                  of senior citizens—

11                   (A) associated with losses by victims that  
12                  were incurred as a result of the financial exploi-  
13                  tation of senior citizens;

14                   (B) incurred by State and Federal agen-  
15                  cies, law enforcement and investigatory agen-  
16                  cies, public benefit programs, public health pro-  
17                  grams, and other public programs as a result of  
18                  the financial exploitation of senior citizens;

19                   (C) incurred by the private sector as a re-  
20                  sult of the financial exploitation of senior citi-  
21                  zens; and

22                   (D) any other relevant costs that—

23                   (i) result from the financial exploi-  
24                  tation of senior citizens; and

25                   (ii) the Comptroller General deter-  
26                  mines are necessary and appropriate to in-

1           clude in order to provide Congress and the  
2           public with a full and accurate under-  
3           standing of the economic costs resulting  
4           from the financial exploitation of senior  
5           citizens in the United States;

6           (2) frequency of senior financial exploitation  
7           and correlated or contributing factors—

8               (A) information about percentage of senior  
9           citizens financially exploited each year; and

10              (B) information about factors contributing  
11           to increased risk of exploitation, including such  
12           factors as race, social isolation, income, net  
13           worth, religion, region, occupation, education,  
14           home-ownership, illness, and loss of spouse; and  
15           (3) policy responses and reporting of senior fi-  
16           nancial exploitation—

17               (A) the degree to which financial exploi-  
18           tation of senior citizens unreported to authori-  
19           ties;

20               (B) the reasons that financial exploitation  
21           may be unreported to authorities;

22               (C) to the extent that suspected elder fi-  
23           nancial exploitation is currently being re-  
24           ported—

- (i) information regarding which Federal, State, and local agencies are receiving reports, including adult protective services, law enforcement, industry, regulators, and professional licensing boards;

(ii) information regarding what information is being collected by such agencies; and

(iii) information regarding the actions that are taken by such agencies upon receipt of the report and any limits on the agencies' ability to prevent exploitation, such as jurisdictional limits, a lack of expertise, resource challenges, or limiting criteria with regard to the types of victims they are permitted to serve;

(D) an analysis of gaps that may exist in  
owering Federal, State, and local agencies  
prevent senior exploitation or respond effec-  
y to suspected senior financial exploitation;

(E) an analysis of the legal hurdles that prevent Federal, State, and local agencies from effectively partnering with each other and pri-

1 vate professionals to effectively respond to sen-  
2 ior financial exploitation.

3 (c) SENIOR CITIZEN DEFINED.—For purposes of this  
4 section, the term “senior citizen” means an individual over  
5 the age of 65.

Passed the House of Representatives April 20, 2021.

Attest: CHERYL L. JOHNSON,

*Clerk.*